

## Message Text

CONFIDENTIAL

PAGE 01 STATE 024757  
ORIGIN EA-12

INFO OCT-01 ISO-00 HA-05 EB-08 SS-15 PRS-01 /042 R

DRAFTED BY EA/TIMBS:REFRITTS:LGR  
APPROVED BY D - THE DEPUTY SECRETARY  
EA - MR. OAKLEY  
EA - MR. HOLBROOKE  
HA - MR. SCHNEIDER

-----097565 310729Z /13

P 310234Z JAN 78  
FM SECSTATE WASHDC  
TO AMEMBASSY JAKARTA PRIORITY

C O N F I D E N T I A L STATE 024757

STADIS/////////  
FOR AMBASSADOR MASTERS FROM THE DEPUTY SECRETARY

E.O. 11652: GDS

TAGS: SHUM, EAID, ID

SUBJECT: IFI LOANS TO INDONESIA

1. AS YOU KNOW, WE VERY MUCH APPRECIATED YOUR EFFECTIVE EFFORT IN NEGOTIATING SUCCESSFULLY THE RECENT EXCHANGE OF SIDE-LETTERS PERTAINING TO USE OF PL-480 COMMODITIES AND PROCEEDS FOR PROJECTS AIDING THE NEEDY. INDONESIA UNDERSTANDING OF THAT MATTER (DESPITE ITS DISTORTION IN THE PRESS),THE APPARENTLY EFFECTIVE RELEASE OF 10,000 DETAINEES LAST DECEMBER,AND RENEWED ICRC VISITS GIVE US CONTINUED HOPE THAT THE TREND ON HUMAN RIGHTS IN INDONESIA WILL CONTINUE TO IMPROVE.

2. HOWEVER, THE CURRENT TENSIONS IN INDONESIA INVOLVING ARRESTS OF STUDENTS AND SUSPENSION OF SOME NEWSPAPER  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 024757

PUBLICATIONS IS, AS YOU HAVE NOTED, CAUSE FOR CONCERN IN TERMS OF POLITICAL DEVELOPMENTS AS WELL AS HUMAN RIGHTS. I APPRECIATE THAT YOU HAVE BEEN COUNSELING THE WISDOM OF PRUDENCE ON KEY INDONESIAN LEADERS. OUR POSITION IS DELICATE AS WE WISH TO SEE VIOLENCE AVOIDED AND FAVORABLE CURRENT AND LONG-TERM HUMAN RIGHTS PROGRESS WHILE NOT BECOMING INVOLVED IN AN INTERNAL POWER STRUGGLE. THIS

ALSO MEANS NOT BEING VIEWED BY ANY ELEMENT AS COMMITTED TO  
THE POLITICAL ADVANTAGE OF ANY INDIVIDUAL OR GROUP CON-  
TESTING IN THAT STRUGGLE, BUT RECOGNITION BY ALL OF OUR

COMMITMENT TO THE USG HUMAN RIGHTS POLICY.

3. I HAVE RECOMMENDED THAT THE US IBRD EXEC DIRECTOR  
SUPPORT THE IBRD POWER VII LOAN WHICH WILL BE VOTED  
ON JAN 31. HOWEVER, OUR FUTURE STANCE ON LOANS WILL  
INEVITABLY BE AFFECTED BY EVENTS IN INDONESIA AND YOUR  
RECOMMENDATIONS. OUR CONCERNS SHOULD BE COMMUNICATED  
TO THE INDONESIAIS IN THE MANNER YOU DEEM MOST EFFECTIVE.  
VANCE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** HUMAN RIGHTS, ECONOMIC ASSISTANCE, LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 jan 1978  
**Decaption Date:** 20 Mar 2014  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE024757  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** REFRITTS:LGR  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780045-0767  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:**  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t1978013/aaaaabux.tel  
**Line Count:** 75  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 50e8a1e0-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** STADIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** STADIS  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3724375  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** IFI LOANS TO INDONESIA  
**TAGS:** SHUM, EAID, ID  
**To:** JAKARTA  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/50e8a1e0-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014